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MARION, A Good Town Getting Better

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PROPOSED BILLS TO RELIEVE UNEMPLOYMENT

COAL OUTPUT INCREASES WITH NEW MARKETS

ANALYSIS OF TWO FEDERAL BILLS DESIGNED TO HELP UNEMPLOYMENT

By Milton T. Edelman

The existence of areas of depression amid the general prosperity of the United States is a problem that has received considerable attention during the past months. Sen. Paul H. Douglas as a member of Senate Committee on Labor and Public Welfare has held hearings in various municipalities of Southern Illinois on a bill (S 2663) he and a number of his colleagues introduced into the Senate to help alleviate this situation. Another bill (S 2892) with the same general purpose has been introduced by Sen. H. Alexander Smith of New Jersey with the backing of the Eisenhower administration. It was referred to the committee on Banking and Currency, which, to date, has not held hearings. The purpose of this article is to compare and contrast the provisions of these two bills.

Although other bills also aimed at helping so-called "depressed areas" have been introduced into the House of Representatives, they, in general, conform to the provisions of the Douglas and Smith bills, therefore, only the two Senate bills will be discussed here.

Definition of an Area

Under the Douglas bill there are two methods whereby an area could qualify for assistance. First, if the area has suffered unemployment of 9 per cent of its labor force or greater for a period of 18 months, or second, if unemployment has been at least 6 per cent for the preceding three years. The Smith bill also uses the test of unemployment, but fixes the figures at 8 per cent for "the major portion of the preceding two years." Sen. Douglas would allow the head of a new agency, the Depressed Area Administration, to make the determination of whether an area qualifies, while Sen. Smith would give the job to the Secretary of Labor "upon request of the appropriate State government." In a number of other respects, as we shall see, the Douglas bill operates through a new agency while the Smith bill utilizes existing agencies.

It should be noted that all the major labor market areas of Southern Illinois would qualify for assistance under the tests established by either bill. This statement is based on calculations of percentage of labor force unemployed, using figures issued by the Illinois State Employment Service. These calculations of unemployment are admittedly only estimates, but no more accurate figures are available, and it is believed by this writer as well as by many who have studied the area that the conclusion is

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correct. The major labor markets for which the Illinois State Employment Service publishes information are given in the following table.

TABLE I
MAJOR LABOR MARKETS OF SOUTHERN ILLINOIS

Labor Market	Counties Included
Cairo	Alexander, Pulaski
Harrisburg	Saline, Gallatin, Pope, Hardin
Herrin-Murphysboro-West Frankfort	Jackson, Perry, Franklin, Williamson, Union, Johnson
Mt. Vernon	Jefferson, Wayne, Hamilton
Centralia	Clinton, Marion
Olney-Mt. Carmel	Richland, Lawrence, Wabash Edwards

Neither bill limits aid to labor markets as they are defined here, or to a county basis. Under the Douglas bill assistance may go to any "area" without a clear definition of the geographical extent of such an area, while the Smith bill mentions both "major" and "other" labor market areas, therefore, as a matter of practice aid could be given on a city or county basis or to a combination of cities or counties, or other political subdivisions of the State.

Administrative Organizations

The major difference between the bills as far as the organizational characteristics are concerned is that the Smith bill, in general, works through established agencies while the Douglas bill would provide for a special, new agency to handle the depressed area problem. This new agency would be called a Depressed Area Administration and would be headed by an Administrator appointed by the President with the advice and consent of the Senate.

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Dr. Edelman, co-editor of the BUSINESS BULLETIN, is an assistant professor of economics at Southern Illinois University.

The Business Bulletin features . . .

MARION

Town Once Named Poor Prairie Now Among Wealthiest in "Egypt"

Marion, Illinois, has seen many impressive changes for the better since 1950, but local opinions vary widely on how and why these changes came about.

Some will say that Marion has always been a progressive city, that developments of the past five years grew out of long term planning and hard work. Others will concur with one longtime resident who said Marion before 1950 "was just content to sit back and be a county seat."

There can be no doubt that the Williamson County town has benefited immeasurably from the post-war industrialization of the former Illinois Ordnance Plant five miles to the west. It is certain, too, that a strong nucleus of civic-minded citizens has been an effective sales organization for attracting outside capital. Beyond that are probably a dozen or more contributing factors.

Some responsible people will insist that the town's recent progress has been more or less accidental, that Marion has been one of the main beneficiaries of Herrin's highly successful industrial campaign. Challenging this notion are residents who will cite evidences of local enterprise or point to the demonstrated aggressiveness of young businessmen.

Whatever the causes for Marion's double-quick growth since 1950, the consequences are readily apparent. Employment is at the highest level since the peak of county coal production. Average family income is 15 percent above the national average. Retail sales climbed to nearly \$17,000,000 for the fiscal year ended June 30, 1955. In the past five years, Marion has added a new hospital, a second bank, a new department store, three modern housing developments, and additional supermarkets, restaurants, realty offices, and other business establishments.

The 1950 census reported Marion's population at 10,459 but a survey last year indicated the number of residents in Marion and its immediate environs has grown to 13,122. During the same period, assessed valuation jumped \$3,000,000.

The newcomers who have helped boost Marion's stock appear to be glad they came. They have a



W. T. GRANT STORE

Sorgen Photo

variety of reasons for liking the town—good schools, numerous churches, a friendly atmosphere—but they also have "feelings" about Marion that are difficult to define. Oldtimers have the same problem expressing themselves on the gratifications they have found in the community.

"I've wondered for years why people prefer to live here," said Sam Dunaway, an insurance man. "New people come in and sometimes they cramp and holler at first but, before long, they begin liking the place so well they don't want to leave."

From the businessman's standpoint, availability of labor, good transportation and other facilities are important, but less tangible assets are also considered.

W. W. Baker, manager of the first W. T. Grant Store in Southern Illinois—a 15,000 square foot operation opened last March—said possible locations were studied throughout the area before it was decided that Marion had as much to offer as any town.

"It's a very aggressive little community," Baker asserted. "If it hadn't been, we wouldn't be here."

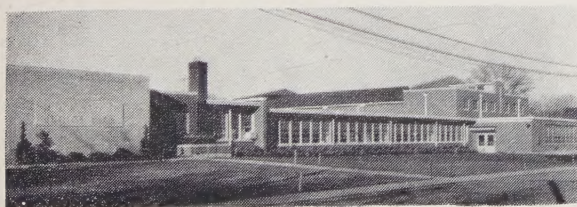
While the sizable population increase of the past few years can be attributed chiefly to new industry, much of the stability of Marion is due to favorable attitudes toward the town which have kept families and young people there for long periods of residence without much regard for economic conditions. In fact, descendants of at least eight of the 21 settlers who were in the immediate area when Marion was located and named in 1839 are still around.

Background of Community

Before 1839, the town which has become one of the most prosperous in "Little Egypt" was known as Poor Prairie. The farmers who lived there planted corn and wheat on what is now the courthouse square and, when the town was laid out, choice lots on the square went for \$150 to \$160.

The townsite was a gift from William Benson, who had arrived in 1817, and he became the community's first constable. The name was selected in

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JUNIOR HIGH SCHOOL

MARION—(continued from page 3)

honor of George Francis Marion, the "Swamp Fox" of the Revolutionary War, whose exploits were still popular at the time.

Agriculture continued to be the economic mainstay until the coal era began in Williamson County. Today, farms provide only a small fraction of the income at Marion, but improved soil conservation practices and heavier emphasis on livestock and dairy cattle is brightening the farm outlook. Farm Bureau membership has increased from 800 in 1950 to 1200 before the end of 1955, according to Hubert F. Fulkerson, farm adviser.

Fortunately for Marion, a number of small industries, wholesalers and service firms found the town to their liking in the 20's and 30's, and these had a cushioning effect when coal mine employment was cut back. By last November, nearly 500 persons were working in Marion for these firms, most of them home-grown and home-owned.

Utilities employ nearly 250 others. Marion is headquarters for operations of the Central Illinois Public Service Company in 13 Southern Illinois counties, and the General Telephone Co. serves toll calls from nine exchanges at Marion. The big Vet-

trade magazine as "the leading electric motor repair center for downstate Illinois." The company, occupying a 23,000 square foot building, has also gone into the manufacture of coils for coal mines and other customers.

Listing Giles, a variety of other manufacturing firms like American Creosoting, Thurmond Monument and Reach Battery, and more than a dozen local wholesalers and producers, Dr. James Felts, youthful president of the Chamber of Commerce, said he believed Marion was approaching the ideal of being "depression proof" because it has "a little bit of everything."

Among the new industries which have been part of Marion's unexpected growth of the past five years is Southern Homes, Inc., which makes custom built houses in an 84,000 square foot building at Ordill. The company's headquarters for six states is located in Marion. Offering homes that range in price from \$3250 to \$40,000, the firm erects the shell on a customer's property in two days and furnishes him the material to finish the job.

Town Is Shopping Center

On the retail level, the new W. T. Grant Store offers clothing for the entire family, hardware, notions, jewelry, household goods, furniture and other lines. The store helps the community through employment of personnel, purchase of the products of local industry, and bolstering Marion's claim to being a trade center for a population of 200,000 within a 30-mile radius. (Highway 13 brings 6400 vehicles through the town every day, and 3900 cars and trucks use Highway 37 at Marion daily.)

Among other retail outlets are Sherman's Department Store, Illinois Brokerage, a Montgomery Ward catalog office, 21 new car dealers, 26 service stations, eight agricultural implement dealers, 11 television dealers, four jewelry stores, six women's shops, three men's stores, and two variety stores. There are also two hotels and two ultra-modern motels with a total of 90 units.

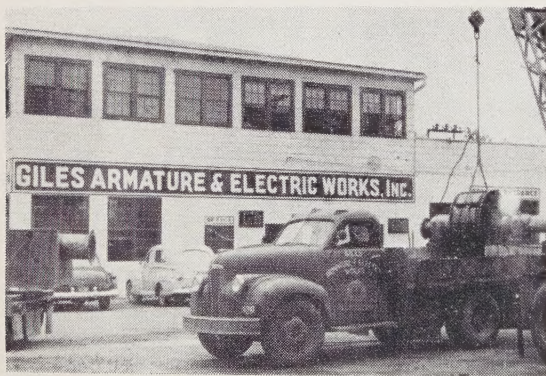
The merchants generally work in harmony to promote Marion's shopping-center reputation by offering customers the services of trained clerks, organized promotional contests and sales, and merchandise seldom found in small communities.

Hardware merchant Gene Cox whose distinctive Gourmet Shop is among the unusual attractions for the Marion shopper credits the youthfulness of the current crop of businessmen for recent progress in development of retail trade.

"There has been practically a 100 per cent turnover of business management and ownership to young men in the past 10 years," he stated.

Not only from retail sales but from virtually every field of business endeavor at Marion, there are reports of big expansion in trade volume since 1950. Charles Monroe, operator of a dry cleaning firm,

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GILES ELECTRIC COMPANY

erans' Hospital was employing some 222 persons from Marion and other towns last November, and retail stores provide jobs for more than 500. The hospital payroll amounts to \$1,000,000 a year and retail stores paid employees \$1,605,000 in 1954. Approximately 42 per cent of the 2000 workers at Ordill are Marion residents while small mines still operating in the immediate area employ more than 300.

Olin Mathieson Chemical Company, which is planning to open an explosives plant in the Ordill area with an initial employment of 250, has taken a 75-year lease.

In Marion itself, the soundness of business enterprises over the years is typified by Giles Electric Company. Started on a small scale during the depression by William S. Giles, a former coal company electrician, the firm is now described by a

AGENCY OFFICIAL DESCRIBES**SMALL BUSINESS ADMINISTRATION****By Wilford L. White**

The United States Small Business Administration has four principal types of assistance available to small firms:

1. Helping them to obtain adequate financing at reasonable rates.
2. Providing them advice and assistance in solving management and production problems.
3. Providing technical assistance relative to old and new products.
4. Helping small concerns get a larger share of Government's purchases of goods and services.

In making regular business loans to small firms, the Agency works closely with local banks, and this type of co-operation has been most successful. Through 1955 it had approved 2,270 business loans, totaling \$114,045,903 to aid small firms.

Two-thirds of these loans have been made in co-operation with private banks. These are called "bank participation" loans—the bank puts up part of the funds, and the Government puts up part.

The objective is not merely to help the proprietor of a small firm get a single loan that he needs, although that is important, but also to help these proprietors to establish a line of permanent credit in their home towns. That is why so much stress is put on bank participation loans.

Just recently, the Small Business Administration announced a new loan plan tailored to the term financing needs of the small retailer, wholesale distributor and service establishment.

These concerns usually have little in the way of tangible collateral which they can pledge for a loan. On the other hand, they may have a good earnings record, competent management, and a reputation with local banks for meeting obligations satisfactorily. They are genuinely small businesses and are deserving of assistance in meeting their working capital needs and requirements for expansion and modernization.

Under this new plan, five-year loans can be made to very small establishments which need additional funds for expansion, modernization, acquiring new fixtures, acquiring parking facilities, adding a second location, purchasing adequate inventory, or other purposes.

Although Dr. White's title sounds formidable, he is a most approachable person. The title is Chief, Managerial Assistance Division, Office of Procurement and Technical Assistance, Small Business Administration. Recently Dr. White delivered the keynote address at a series of meetings for small manufacturers held by the Small Business Institute of SIU at East St. Louis.

The term of these loans was set at a maximum of five years, because a survey of the credit needs of small firms showed that credit from one to five years is the type of loan that will meet most of the requirements of these small firms.

These loans are all participation loans—a bank must take at least a 25 per cent share of the loan. The amount of these loans is also limited. The Small Business Administration's share cannot exceed \$15,000 or 75 per cent of the total amount of the loan, whichever is the smaller. Interest on these loans has been set at not more than six per cent.

Of course, security will be required for these loans, but the participating bank will handle the details of appraising and obtaining the proper security. Moreover, any type of security may be considered, including a mortgage on real or personal property, assignment of accounts receivable or monies due on contracts, pledge of warehouse receipts, negative pledge agreements, and corporate guaranties or personal endorsements.

Amounts of Loans

A recent survey by the U. S. Department of Commerce showed that one-half of the small firms borrowing money during the year ended June 30, 1954, borrowed amounts ranging from \$1,000 to \$10,000.

Twenty-eight per cent of the firms surveyed borrowed from \$10,000 to \$50,000, and only one-sixth borrowed more than \$50,000. The median amount of funds borrowed by the 5,000 firms reporting was \$8,500 for the established concerns and \$4,500 for the newer firms. The additional amounts wanted but not obtained were the same for both—\$10,000.

Thus on the basis of this official survey conducted by the U. S. Department of Commerce, it is apparent that the new Limited Loan Participation Plan is well suited to meet most of the unsatisfied demands for the loan funds by qualified small firms.

That brings us to the Small Business Administration's second major activity, which is assistance with the management and production problems of small business concerns.

The program in this field is largely an educational one, designed to help a businessman fill in the gaps in his knowledge and experience, and acquire a better grasp of overall business administration—in short, to become a more capable proprietor.

As one part of this program the Small Business Administration is sponsoring small business administrative management courses in co-operation with leading educational institutions like Southern Illinois University in all parts of the country.

During the current school year it is co-sponsoring about 100 courses in 70 educational institutions. About 4,000 small business owners and managers are attending the courses.

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AGENCY—(continued from page 5)

Publication Aids

In addition to these courses, the Agency provides small firms with four series of publication Aids dealing with important management, technical, production, and marketing subjects. These are practical, clearly written publications prepared largely by management consultants, university teachers, and other recognized experts in private industry.

The four series cover a wide range of subjects, such as market analysis; budgeting; business insurance; employee selection and placement; building sales volume; reducing operating costs, effective advertising; appeal procedure for income tax cases; records management; and sales forecasting.

Three of these series are distributed free; the fourth is sold at nominal prices. More than two and a half million copies of these publications have been obtained by businessmen and others from the Small Business Administration or purchased from the Government Printing Office.

The Small Business Administration also has trained specialists in its field offices to assist small firms with particular management or technical production problems. If its specialists cannot supply the answer to a businessman's problem from their own training and experience, they seek the answer from other sources—Government agencies, universities, and industrial research groups.

Third, another and newer agency service has already proved its worth. It is the Products Assistance Program. Purpose here is to help small firms develop improved products and better markets. Without doubt, research into new and improved products and processes has been one of the prime reasons for the fantastic growth of our economy.

Consider this: in 1941, Government and business together spent less than \$1 billion on research. In 1953, they spent about \$4 billion. By 1959, it is estimated that research expenditures will total \$5.5 billion.

A recent statement by the General Electric Company offers a striking example of the effect of research upon our economy. According to company officials, General Electric today has more than 70,000 employees at work on products that were not even known in 1939!

What the Small Business Administration seeks to do in the Products Assistance Program is to help small firms overcome the great advantages in research enjoyed by larger companies, and to improve the techniques of introducing new products on the market.

As part of this program, the Agency is helping small firms draw upon the vast wealth of non-confidential research information which is available from Government agencies, research institutions, trade associations, and private industry.

Products List Circular

Through a Products List Circular it also calls the attention of small firms to new ideas, new and improved products, that individuals and businessmen have developed and would like to have put on the market.

The Small Business Administration's fourth major program is assistance to small firms in obtaining a fair share of the Government's orders and contracts for supplies and services.

The most important activity in this area is what is called the "joint determination" program with other Government agencies.

Under this program the Small Business Administration has assigned representatives to the principal Government purchasing centers to review their proposed purchases and to determine, in co-operation with the contracting officers, which orders should be set aside entirely or in part for award to small business.

Since the Small Business Administration began its operations on August 1, 1953, more than \$807,000,000 in Government purchases have been set aside through December, 1955, for exclusive award to small firms.

Primarily through the Small Business Administration, the Federal Government makes as much assistance as possible available to individual small business enterprises.

However, the Federal Government also serves small business in another way which is of great value. That is by fostering continued expansion of our economy, by creating an economic climate which is favorable to the increased growth and prosperity of all business.

America has grown great through economic strength and spiritual strength. Let's keep it that way!

—o—

EDWARDSVILLE IMPROVEMENT

A \$12 to \$15 million improvement program in a new subdivision is promised for Edwardsville, according to the Edwardsville Intelligencer.

The subdivision would include a \$500,000 shopping center and 600 homes in the \$12,000 to \$30,000 price range. Housed under one roof would be a supermarket, a drug store, shoe store, women's apparel shop, men's wear store, hardware store, appliance shop, beauty shop, barber shop, and shoe repair shop.

Earl C. Wilson, president of Wilson Construction and Development Company, said two other business units would be constructed sometime within the next three years. The initial unit will occupy about 30,000 square feet of floor space and will have a parking lot to accommodate 500 cars.

Wilson was quoted as saying the entire shopping district might eventually occupy 20 acres.

CIVIC CLUB MEMBERS INDICATE REASONS THEY SHOP OUT OF TOWN

By Willmore B. Hastings

It started with a friendly little discussion between a small town retailer and one of his most consistent customers—the age old discussion of “Why buy it at home?” Pretty soon a whole civic club was haranguing about the situation and it was decided to make a survey of the club members’ personal buying habits. This was done in a Southern Illinois city of approximately 10,000 people and in an average civic club (49 men in number).

Of course, it is not strictly accurate to use one civic club as a real cross-section of a community, but intuition tells us that the reasons given by these men for buying outside their home town might well apply to many others. If others in the town do feel the same, about \$1,600,000 was spent outside this community during 1955 because:

- 16 percent bought outside because of price
- 38 percent bought outside because of selection
- 36 percent bought outside because of availability
- 8 percent bought outside because of service

Only one-sixth of the group or 16 per cent bought anything at less than retail price away from the home circles, and surprisingly enough this also accounted for about 16 percent of the dollar volume spent away from the community. However, one car accounted for most of the 16 per cent dollar volume. So price wasn’t the real reason.

Selection accounted for 38 per cent of the loss. Aren’t merchants able to offer as wide a selection as those offered in “competing cities?” They can with proper buying by the store owner or buyer. Why do we say this? Only because the lion’s share of the loss due to selection was in staple items like shoes, socks, clothing, shirts, etc. Good selling could help here.

The 36 per cent that bought elsewhere due to “availability” generally said they would have bought in their local town if the merchants had made an effort to secure the item for them. That could have been easy, couldn’t it?

Service caused an 8 percent loss. If a merchant can’t give service he can’t stay in business very long—a customer certainly has a right to expect proper service.

Now we come to a part of the survey where members said a minimum of one-third of the money that was spent elsewhere could have been spent in the community—the items were available, the price

was right, the service was right, but the consumer just didn’t buy because “the storekeeper lost him someplace.” In other words proper sales effort in the fields of furniture, auto, clothing, food, hardware, sporting goods, drugs, banking, medicine, insurance, gas and tires could have kept one-third of the money at home. The clothing people lost one-third of the sales, and the medical and insurance facilities each lost another one-sixth for the biggest individual losses.

This survey, of course, is not complete, nor conclusive but it does point out that the necessity for self-appraisal and re-evaluation of our own shortcomings is as necessary in business as the time-old complaint about our competitor.

—o—

LABOR FORUMS PLANNED

A series of meetings on subjects of special interest to union officials and members is planned during April, May, and June through the co-operation of the Southern Illinois Labor Relations Council and Southern Illinois University. The Labor Relations Council is a group of union officials and members that has been meeting regularly for over two years to discuss and act on problems of interest to all workers of the area.

From a number of topics suggested as being of some urgency and also having general appeal, a committee chose those shown below. The order of these topics is tentative because whether or not a particular topic is discussed on a particular night will depend on the availability of certain people who have agreed to take part in the discussion. Some changes may have to be made at the last minute to accomodate individual schedules.

April 25	Psychological Problems of Labor Relations
May 9	Current Collective Bargaining Issues
May 23	Taft-Hartley Law
June 6	History and Growth of Unions
June 20	Problems of the Union (Dinner Meeting)

The plan is to have speakers and panel members for these meetings drawn largely from unions. In addition some members of the Southern Illinois University faculty will participate, and meetings will be held on the SIU campus.

While reporting on this matter it might be well to note the needs of workers in the field of education. The following facts are taken from a report called *Labor Education* written by Joseph Mire for the Inter-University Labor Education Committee.

The report notes that it is “largely through labor organizations that adult workers appear as actual or

(Continued on page 9)

Mr. Hastings is a lecturer in the Department of Business Administration and a member of the staff of the Small Business Institute at Southern Illinois University. He has had twenty years of business experience in such varied jobs as sales, personnel, labor relations and management.

MARION—(continued from page 4)

said his business has gone up 10 percent each year following the opening of a new building with ample parking facilities in 1952. Oldham Paisley, publisher of the *Marion Daily Republican*, stated that this advertising revenues jumped 20 percent and job printing 50 per cent between 1950 and 1954.

Even in the coal picture, Marion has a distinct advantage in having the mines closest to the Joppa power plant and direct access on the Chicago and Eastern Illinois Railroad.

Oscar Schafale, president of the Bank of Marion, figures the town is "pretty much on a plateau" economically but the ever-present possibilities for attracting additional industry does not rule out further gains.

The Bank of Marion had assets of more than \$9,510,000 at the end of 1955, and a second bank opened in the town last Nov. 26. By year's end, assets amounted to \$1,093,000.

Charles D. Winters, a Marion attorney who is president of the new Bank of Egypt, feels that it may serve as another inducement for potential industries to locate in Marion.

The new institution has adopted some of the latest trends in bank construction, including drive-in service, conference rooms for business negotiations, and staggered teller cages so customers "can't see what's going on at the next window."

Radio Station WGGH recently doubled its floor space by moving broadcasting facilities to a new building east of town, and upped its power from 500 to 5000 watts. The new concrete block building has more than 4100 square feet of floor space and three studios, according to George Dodds, president of the Marion Broadcasting Company.

Local Residents Generous

Big strides have also been made by Marion in the past few years in the improvement of public facilities, largely because of the generosity of local residents. A good example is the new \$1,000,000 city hospital.

Donations for the hospital amounted to \$100,000 before voters approved a \$440,000 bond issue in 1950 by a 3-to-1 margin. The X-shaped building, with a maximum capacity of 72 beds, was completed with federal money, but hospital officials found themselves without operating funds when they opened for business. Another plea to Marion residents quickly netted \$30,000 in contributions.

Businessmen and civic clubs continue to donate to a fund for nursing scholarships and there are 600 women in the hospital auxiliary, said Mrs. Shirley Lindberg, hospital administrator.

The Williamson County Airport, completed in 1952, has recently been approved for \$191,000 in federal and state funds for construction of a second runway. Ozark Airlines, inaugurating service there

in February, 1955, has four flights a day out of the 400-acre airport on its St. Louis-to-Nashville run.

The year 1950 marked the beginning of a school improvement program at Marion that has cost more than \$1,000,000. Since that time, two new buildings and two additions have been constructed and all 10 of the elementary schools in the 160 square mile Unit School District No. 2 have been modernized, reported Robert McKinney, district superintendent. In city schools alone, there are now more than 3500 students, including 860 in the high school, and a faculty of more than 150.

"The schools here have been a vital part of a changed attitude in Marion since 1950," McKinney believes. "Since that time there has been a growing optimism in the future of the town and it is reflected in the improvement of educational facilities."

**BANK OF EGYPT**

Meanwhile, the First Methodist Church is adding a \$125,000 educational wing and the First Baptist Church has a similar addition costing \$100,000. The youth of Marion also have a Community Center, operated by a City Recreation Board, which is open afternoon and evening six days a week. It serves 3000 young people each month. Negro youths have a center, too.

The City Park Division maintains a Boy Scout cabin on five acres of ground donated for the youth of Marion by businessman A. B. McLaren. The Carnegie Public Library, opened with an \$18,000 endowment in 1915, now contains 21,000 volumes. Mrs. Roscoe Parks, librarian, reported that 46,608 books were loaned during the 1954-55 fiscal year.

A new sewer treatment plant was constructed in 1951 for \$350,000. Improvements at the water plant cost \$120,000. Marion has plenty of water, with a 280,300,000 gallon capacity City Lake and a standby connection with Crab Orchard Lake. Use of water has gone up 27.8 per cent since 1950, and the number of customers has increased 18.7 per cent. Average daily consumption is 699,600 gallons; the pumping station filters have a rated capacity of 1,152,000 gallons.

Assessed valuation in Marion had increased from \$12,498,543 in 1946 to nearly \$15,500,000 by the beginning of last year.

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MARION—(continued from page 8)**Increase in Use of Utilities**

Marion's advance in population, wealth and business activity in the past few years is further demonstrated by a few statistics furnished by O. A. Drew, local exchange manager for the General Telephone Company. There were 3700 phones in Marion in December, 1951, and about 4500 by the end of 1955. In that period, local phone calls increased by nearly 1000 a day, to nearly 24,000. Sixty-five operators work at the exchange, and about 20 are on duty at the same time. Toll calls, which Marion handles for nine towns, now average 2300 a day, compared with 1300 in 1952.

The increase in personnel and business volume is such that the company is planning to put up a new and larger exchange building.

Central Illinois Public Service Company has been stepping up its local employment, too. The division office has responsibility for serving 52,000 customers in 93 communities.

Important new developments have been taking place with such frequency in Marion it is impossible to list them all or to be statistically accurate from one week to another. As this article was being prepared, the city council was studying a proposal to create additional off-street parking areas that would contain at least 320 metered parking spots. A \$500,000 fire swept through the Pepsi-Cola Bottling Company March 10 and the owner, Harry Crisp, announced the next day that plans were underway to rebuild the plant.

Some \$27,000 worth of improvements are scheduled for the Marion Post Office. Another subdivision is in the planning stages, and two additional churches have purchased sites for educational wings.

The new Olin plant at Ordill and other possible factories may have a decided influence in the future on local population figures and economic factors that have been changing consistently in the recent past by the very nature of the community and its appeal to the shopper and the home buyer.

Mrs. Elsie White, who has been greeting newcomers to Marion for the past eight years in behalf of 23 business firms and merchants and the Chamber of Commerce, said the town has recently been getting an average of 15 new families a month.

The efforts of Mrs. White and others to make newcomers like Marion probably does much to condition their attitudes toward the town. At any rate, local criticism is seldom trenchant or even consistent.

"The few people who do complain about Marion," said George Dodds of WGGH, "don't know when they're well off."

**MARION HOSPITAL****LABOR—(Continued from page 7)**

potential consumers of education." As members of labor organizations it is well to distinguish between the needs line and staff representatives of unions (full-time appointed or elected union officers); officers of local unions; labor education specialists (those who teach other union members); and rank and file union members.

The needs of union officers are largely in the following fields: union administration; government regulation and legislation; participation in community leadership; and foreign policy and international labor affairs. The needs of local union officers are similar to these but are more directly concerned with seeing that rank and file desires are reflected in collective bargaining contract terms and with administering the contract. Labor education specialists need to know how to stimulate the demand for educational services, how to find and train good teachers, and how to develop program continuity in order to achieve whatever long-range results are sought. The rank and file union member needs to be informed on the individual's participation in group efforts, he needs instruction in protective labor and social legislation, he needs education on how to buy more wisely in his role as a consumer of products from life insurance to refrigerators, and he needs an opportunity for cultural education—including reading, dramatics, music, art, photography and other lines that will enrich his personal life.

NEW EQUIPMENT, TECHNIQUES BRIGHTEN COAL OUTLOOK

by Ed Haahes

The coal industry has been fighting with considerable success to regain lost markets and create new ones.

Production, which reached a postwar low of 393 million tons in 1954, was in the neighborhood of 470 million tons in 1955. One authority predicts that 500 million tons of coal will be mined this year, 600 million tons in 1960, and 1000 million tons in 1975.

Coal production in Illinois last year was valued at \$180 million, compared with \$163 million in 1954.

New uses for coal, and research and development of mining and processing techniques make these predictions sound logical, and they give the industry a considerably brighter outlook for the immediate future than it had in the immediate past.

Much of the increased demand for coal has been created from within the industry by farsighted operators who risked capital to attract fading markets. Another part of the explanation for the upsurge in production is due to more or less accidental factors, such as greater coal consumption by utilities.

While statistical evidence was indicating that coal tonnage was steadily dropping off, leading operators and service firms were investing in the future of the industry. The Joy Manufacturing Company, largest producer of coal mining machines, recently started a \$3,000,000 expansion program and promised it would up its manufacturing volume by 20 per cent. New diggings are planned in the soft coal fields as operators are making a strong bid to reclaim domestic customers and to compete more strenuously with other fuels for industrial markets.

Some Markets Lost

Over a 25-year period before 1953, coal had lost 90 per cent of its sales to railroads which were converting from steam locomotives to diesels. More than one-third of coal's outlets for home and building heat were lost to oil and gas; in 1952, sales of oil and gas heaters topped sales of coal heaters 60-to-1. Nine per cent of coal's customers began using residual oil for firing smelters, mill and factory boilers.

Yet, coal has some natural advantages that precluded its being ruled out of the American economic scene. Reserves of coal are said to be enough for normal usage for centuries to come while other mineral resources are measured in terms of decades or generations. Atomic energy as a practical substitute for coal has come to be regarded as unfeasible; the Atomic Energy Commission continues to

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be the coal industry's largest single customer through its atomic installations. The production of a ton of steel still requires a ton of coal, and *Nation's Business* estimates that the use of coal for electric power has increased 200 per cent in the past 20 years.

Seventy per cent of U.S. electricity is made in coal-burning power plants. One writer has figured that it takes three tons of coal to run a modern refrigerator for a year and almost that to operate a television set.

"Always around the corner are the still largely untapped possibilities of coal chemistry which has already released key components for aspirin, cortisone, novocain, vitamins, sulfa drugs; nylon, lucite, and other plastics; the synthetic rubbers, buna S and neoprene; perfume and flame-proof paints; dyes for textiles, and stains to identify bacteria under microscope; DDT, creosote, nitric acid for explosives, livestock feed, fertilizers and many other products," according to *Nation's Business*.

Until recently, virtually all of these products were formed from tars and vapors distilled in ovens whereas coal can be airlessly baked into the chaste carbon, coal. One major chemical company has a plant in West Virginia producing coal's 10 basic substances directly from raw lumps. A number of processes are being tested and used to gasify coal and to trap chemical by-products.

Classification of Coal

In a demonstration plant, the U.S. Bureau of Mines has turned out a good quality gasoline by the hydrogenation method which would cost eight to ten cents a gallon after sale of the by-products. Other experiments are being undertaken to adapt a technique known as the Fischer-Tropsch process to gasify coal by controlled burning right in the seam; this would make possible the pipeline transmission of coal in liquid or vaporous forms from the shaft.

The first large scale oil-from-coal plant was set up in South Africa, 50 miles south of Johannesburg. The Sasol plant gasifies coal and converts the gas into conventional petroleum products and chemicals. Some 4,250,000 cubic feet of synthetic gas is produced at the plant in an hour.

Some observers believe that a synthetic fuels industry will be inevitable by 1975, and a *Reader's Digest* article states that in perhaps five years—"and few put it as far off as 15"—the oil companies themselves will be buying coal by the 100 million tons in order to make gasoline from it.

"Even oil men concede that coal is in the bud of second flowering," the *Digest* said.

In American mines which are producing coal for industrial and domestic use, new equipment

(continued on page 14)

BILLS—(continued from page 2)

The Smith bill would establish an Area Assistance Administration within the Department of Commerce. This office would be headed by an Area Assistance Administrator appointed by the Secretary of Commerce with the pay of an assistant secretary. The Smith bill gives the Secretary of Commerce, working through the Area Assistance Administrator, the authority to give assistance to the areas that qualify for it, while the Douglas bill places that authority in the hands of the Depressed Area Administrator, who is responsible directly to the President.

Although both bills place primary responsibility for providing assistance at the level of the national government, the Douglas bill goes farther than the Smith bill in bringing local groups into the operation of the assistance program. The Douglas bill provides for the appointment by the Depressed Area Administrator, of a "local industrial development committee" which would be given the task of preparing plans and cost estimates for the construction of industrial plants and also would have the very important and delicate job of enlisting support of local citizens and public lending agencies for financing such structures. When it comes to the erection of public buildings, Douglas would have the Administrator and the local committee determine the needs, probable cost and estimated number of jobs that would be provided by such public facilities. In addition, states, cities and private or public organizations could make proposals for projects which would then be chosen by the Administrator. The Administrator could also initiate public projects without proposals from states, cities, or other groups.

The Smith bill makes no provision for local committees. Assistance for both private and public projects is to be extended only after approval by the state in which the project shall be located. The Douglas bill does not require such approval by the state.

Assistance Provisions of the Bills

The Douglas bill provides for two funds of \$100 million each; one to help in the financing of private industrial or commercial plants, and the other to help in financing public projects. The financing help for private industrial plants is to be in the form of loans which may cover no more than two-thirds of the total cost of the project and may run no longer than 40 years. This type of loan would be limited to helping new industries get started.

The second type of assistance under the Douglas bill is a direct grant for the construction of public projects. No local contribution is required before these grants may be secured and there is no restriction on the length of the project.

The Smith bill provides for two types of direct aid. First, a revolving fund of \$50 million is estab-

lished from which loans are to be made to private business firms for building new plants or expanding or remodeling existing ones. These loans may not exceed 20 years in length and may cover no more than one-quarter of the total cost of a project. However, before a federal loan can be made, at least fifteen per cent of the cost of the project must be available on loan from other sources. This loan is to be repaid after the federal loan has been repaid. The bill specifically states that no federal loan is to be made unless financial assistance is not otherwise available from private or public sources.

The second type of aid under the Smith bill is a direct grant for undertaking studies to evaluate the needs of an area. Such grants are not to exceed \$1.5 million annually for all areas.

Aid for public works projects under the Smith bill is to come only through amendments to the Housing Act. These amendments would give first priority to applications of counties, cities, and other municipalities and political subdivisions for financing needed public facilities in areas of "substantial and persistent unemployment." (The Smith bill does not use the term "depressed area.")

Retraining Unemployed Workers

The Douglas bill provides for "suitable training" for unemployed individuals in the area where they reside. It gives the Secretary of Labor the authority to establish such training courses by utilizing all existing facilities of the federal government, and by negotiating agreements to use whatever public or private institutions may be necessary to do the job. In addition workers undergoing such training would receive as much as thirteen weeks of unemployment compensation payments after their normal benefits under state law had been exhausted.

The Smith bill establishes a five step procedure for retraining. First, the administrator asks the Secretary of Labor to start such a program. Second, the Secretary of Labor must make a finding that a need for such training exists, whereupon (third) the Secretary of Health, Education and Welfare asks the Commissioner of Education to (fourth) set up a training program. The fifth step is then to establish such a program, which would be done through the state vocational education agency. The bill provides that financial assistance "when necessary or appropriate" would be provided, but it does not go into detail as to the type of financial assistance.

The Douglas bill also provides some additional benefits which have been used on other occasions to attract industry. One is a fast tax write-off for new plants. This has been used on a national basis to facilitate the building of plants necessary for defense or war purposes. Another is a provision that the Commodity Credit Corporation be authorized to distribute processed foods to homes and institutions in depressed areas.

FACTS, FIGURES CITED AT DEPRESSED AREA HEARINGS

Recent hearings conducted by Sen. Paul H. Douglas in Southern Illinois on depressed areas legislation uncovered a wealth of data concerning a number of local counties. Much of the material presented in evidence was classified information or was gathered from special surveys. The hearings, therefore, gave the *BUSINESS BULLETIN* an opportunity to collect in a three-day period valuable statistics that would generally be unavailable or would take many months to compile.

The *BULLETIN* cannot vouch for the accuracy of the information presented at the hearings. Yet, it is reasonable to assume that the witnesses did not deliberately alter the facts because their testimony will undergo careful scrutiny by members of the Senate Subcommittee on Labor. Secondly, the bulk of the testimony at Benld, Litchfield, Johnston City, Rosiclare and Mounds, dealing largely with the shortcomings of Southern Illinois, was submitted by Chamber of Commerce representatives and others who would not likely exaggerate these failings.

Causes of depressed conditions cited in the various areas visited by Sen. Douglas included: closing of coal and fluorspar mines, a price squeeze on the small farmer and orchardist, and failure to attract new industry because of water shortages, insufficient local capital for industrial funds, and other factors.

Decline in Coal Employment

Hugh White, president of District 12, United Mine Workers of America, said the coal industry in Illinois employed 31,067 in 1950, but only 13,623 by the end of 1955. He said the number of coal mines had dropped from 302 at the end of 1951 to 198 in December of last year.

Maurice Campbell, Benton, said miners from that community worked in 25 different mines back in 1925, but there are now only five in the vicinity. The largest of these mines once worked 2200 men; the largest today has less than 500.

Some 2000 coal miners have been displaced in the past five years in Franklin County which once produced 22 per cent of the state's coal output, according to Robert Henderson, executive secretary of the West Frankfort Chamber of Commerce.

Jack Wenzel, counsel for the Progressive Mine Workers, said there were 6350 men working in Macoupin County mines 10 years ago, compared with 760 now. Only five years ago, 10 mines were operating whereas there are now only three and these are faced with collapse because of problems of transportation, availability of water and stiff competition.

In Saline County, Wenzel reported, there were 20 PMW mines a decade ago which employed 3370. There are now only six operating mines with 638 employees.

Wenzel spoke of the heavy losses suffered by the coal companies when they abandoned Illinois operations. Tipples which cost \$50,000 were sold as scrap for \$2500 and virtually all of the abandoned mines have deteriorated or have been dismantled to such an extent they can never be reopened.

In Hardin and Pope Counties where the economy depends largely on fluorspar mines, there have been similar local depressions. The Rosiclare Lead and Fluorspar Company, the oldest and largest producer of fluorspar in the country, went out of business two years ago. It formerly employed 450 men.

Jacob Blecheisen, president of the company, said failure of the other spar mines in the area would make Rosiclare "a ghost town in the bleakest sense of the word." Other witnesses before the Senate Subcommittee spoke in general terms of increased production in the coal fields to serve new and growing markets, but Blecheisen estimated actual tonnage needs for fluorspar by various industries during the next few years.

He said there were enough reserves in the area to produce 250,000 tons of fluorspar annually, which is slightly less than half the total national consumption last year. He predicted the country would need 900,000 tons annually by 1960 for steel, aluminum, hydrofluoric acids and other products.

Blecheisen recommended development of water transportation on the Ohio River and urged construction of an inland waterway from Pittsburgh to Lake Erie to give Hardin County water transportation to Europe.

Witnesses in the coal counties indicated for the most part that interest should be diverted from mines to improvement of agriculture and establishment of various types of manufacturing to absorb the unemployed. However, State Representative Paul Powell, Vienna, stated there was enough coal in Illinois at the 1954 rate of production to last 1000 years.

Jobless in Other Fields

During the three days of hearings in Southern Illinois, a number of other union officials quoted statistics from their files covering the area and specific localities.

UMW District 50 which organizes workers in a wide variety of occupations has seen its membership drop from 3300 to 1209 in Southern Illinois, according to Evans McDowell. In Hardin County, where District 50 represents fluorspar miners, membership has declined from 1009 in 1951 to 411 as of last Dec. 31.

Ralph Cooksey, representing the district council of the Hodcarriers Union, said two-thirds of the membership of the 32 union locals affiliated with the council were out of work. Some of these people have not worked for more than a year, he reported.

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HEARINGS—(continued from page 12)

Guy Price, representing the retail clerks' union, said 41 small business firms have ceased operations in Saline County alone in the past two years. In 37 towns, he said, the clerks' union formerly had 20,000 members but it has only 8000 today.

Kenny Johnson, testifying for the state office of the CIO, reported the CIO had lost nearly 8000 members in the 23rd Congressional District.

A parade of witnesses told of local people commuting long distances every day to jobs in industrial areas or moving their families to other regions or to other states so they could be close to their work. They spoke of the loss of productive youth, declines in assessed valuation, losses up to 50 per cent in retail sales, and listed large numbers of vacant houses and main street shops.

Unemployment in Depressed Areas

Unemployment statistics were reported by a number of localities although these figures reflect only the active files of the Illinois State Employment Service offices as a rule. Ordinarily they do not include relief clients (though some witnesses brought in separate reports on relief payments in their counties) nor do they take into account those people who have not registered with the ISES or who have moved to other areas temporarily in search of work.

In his testimony before the Senate Subcommittee on Labor in Washington, Representative Kenneth Gray (D.-Ill.) quoted the figure 31,000 to represent the number of unemployed in the 15 southernmost counties.

In West Frankfort, according to the testimony, 23.4 per cent of the labor force is without work. Other unemployment percentages quoted included: Du Quoin 22.5 per cent; Cairo 17 per cent; Benld-Gillespie 13.5 per cent, and 8.7 per cent in Montgomery-Macoupin Counties.

James L. Foreman, president of the Metropolis Chamber of Commerce, told of over-expansion in Massac County during the building of the Joppa power plant and the atomic energy installation at Kevil, Ky. He estimated the number of unemployed in the county at 1800.

Representatives from Litchfield described the closing of several large plants there for technological reasons, including the American Radiator and Standard Sanitary plant which worked close to 500. Mt. Vernon lost its car shops plant two years ago which employed some 1400.

James Cannon, executive secretary of the Benld-Gillespie Development Association, said 65 per cent of the labor force of that area is working outside the area, particularly in the Alton-Granite City-East St. Louis region. Hayden Williams, manager of the ISES office at Litchfield, estimated that the Montgomery-Macoupin Counties area has lost 4000 of its labor force of 28,000 since 1950.

Mayor Neil Thurmond of Johnston City said there were more people from that community living in Chicago than were living at home. The population of Du Quoin was said to have decreased 10.5 per cent since 1950 for lack of local employment, and the population of Murphysboro has dropped from 14,000 to 10,000.

It was estimated that Cairo has lost 1500 persons during the past two years and Massac County has lost 1000. The Union County population has fallen from 16,120 to 10,000, according to Leon Whitney, Anna insurance agent.

Among the reasons listed for the high rate of unemployment, in addition to the cutback in the coal and fluorspar fields, were failure to attract new industry and the difficulty of finding jobs for men over 45 years of age. Some communities cited lack of water and antiquated utilities, poor schools, excessive municipal indebtedness, and insufficient local capital for industrial funds among the reasons why industries have been slow in coming to their localities.

Farming in Southern Illinois

The "price squeeze" on the small farmer was blamed by a number of witnesses for substandard conditions on many Southern Illinois farms although it was pointed out that much of the farm and private forest lands in the lower counties was mismanaged.

Floyd H. Hart, president of the Murphysboro Chamber of Commerce, said 1514 of the 1934 farms in the county had an income of less than \$4000 last year and 119 produced no revenue. Charles W. Durfee, president of the Hardin-Pope County Farm Bureau, said there were only 50 full-time farmers in Pope County.

The 75,000 acres of farm land in Hardin County are classed in the lowest income group in the nation, according to another witness.

Fruit trees have dropped in number from 5228 five years ago to 3312, said Leon Whitney, Anna, and 780 of Union County's 1245 farmers have a gross income of less than \$2000.

Fifty-four per cent of the 643 farms in Alexander County are under 100 acres and "many of these are sub-marginal and provide bare existence for the operators," according to Merrill Currier. James Foreman said farm income in Massac County is now about 40 per cent below the 1950 level and the sale of farm implements has declined about 70 per cent in the past three years.

The Other Side of the Picture

The foregoing information was culled from the testimony as presented by witnesses to indicate local need for the bill under consideration, which would provide \$200,000,000 in federal loans and grants to help reduce unemployment in depressed areas.

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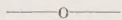
HEARINGS—(continued from page 13)

On the positive side, most of the witnesses spoke of the advantages Southern Illinois had to offer various industries and the resources, both physical and human, that were available. Large reserves of coal and fluorspar, thousands of acres of undeveloped forest lands, tremendous water supplies along the Mississippi and Ohio Rivers, and rail and highway transportation were among the benefits mentioned.

There was a long list of specific recommendations as to the kind of help the various localities could use from the federal government. Canalization of the Big Muddy River and creation of lakes to solve domestic and industrial water problems were suggested most frequently.

It was also advised that money be loaned to communities which cannot raise enough capital locally to build plants for potential industries.

Other requests from individual witnesses concerned allocation of defense contracts to Southern Illinois and building of government installations here; money for public facilities in municipalities which have exceeded their limits of bonded indebtedness, and development of forest resources and lumber and woodworking industries.



COAL—(continued from page 10)

and techniques are making coal mining more economical. Continuous miners, long conveyor systems and pipelines are helping the coal industry in the competition for the consumer's dollar.

Some pipelines have been installed to ship coal from mine to water and barge, cutting down on railroad freight costs which amount to as much as one-third the delivered price of coal. Pittsburgh Consolidation now pipes powdered coal through a pipeline across the Ohio River into Cleveland to supply one of its utility company customers, and the proximity of water and coal have been strong inducements for large manufacturing units and utilities in locating new plants.

Modern Mechanization

Equipment-wise, coal companies throughout the soft coal fields are investing in such things as continuous miners, remote control cutters with fully automatic conveyors, and huge labor-saving power drills. An auger developed at Grafton, West Virginia, can cut a hole nearly a city block long through solid coal in less than fifteen minutes, and the "shavings" come out at the rate of three tons a minute.

Even more interesting are the efforts of the coal industry to recapture lost markets.

Coal producers and railroad men are working on a gas turbine fired with coal for locomotives

which would not need water for steam or cooling, even on transcontinental runs. The turbines are said to be able to save \$50,000 a year on each locomotive on the basis of fuel outlays for diesels.

Stoves, furnaces and other conventional equipment have also been improved, along with dealer services, for home heating. Dominion Steel and Coal Corporation of Canada, for example, has gleaming white metal furnace that disposes of its own ashes and stokes itself automatically. Saving an advertised 20 per cent over operation of a hand-fired furnace, the DOSCO is automatically "spoon-fed" at such a rate that three-quarters of a pound of coal will hold a fire in the furnace for an hour.

Heat pumps for homes are also in the experimental stage. Like an electric refrigerator which extracts heat from milk, vegetables, and meat and discharges it into the kitchen, the heat pump brings heat from the soil below the frost level and discharges it throughout the house. Coal generates the electric power which operates the heat pump.

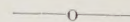
Additional Research Needed

In view of these innovations and the increased demands for coal by utility companies and the Atomic Energy Commission, the coal picture looks much less bleak now than it did two years ago. Some people believe, however—and this includes persons closely connected with the industry—that coal companies can take a more active and aggressive role in winning present and future markets.

W. A. Raleigh, Jr., assistant editor of *Coal Age*, pointed out recently that most large industries designate two per cent of their sales for research and development. The coal industry, to qualify in this class, should be spending \$45 to \$50 million a year, but it allocates only \$5 to \$10 million for this purpose.

"Since coal is currently considered to have greater potential for cost reduction in future years than competitive fuels," Raleigh wrote, "the time is ripe for greater investment in development and research."

"By greater investment now," he stated, "the coal industry will be prepared to reap benefits and price advantages for coal occur."



PEABODY COAL COMPANY EXPANDS

Reports circulated in area newspapers say the Peabody Coal Company plans to develop several new mines in southeastern St. Clair County and northwestern Perry County. The company is expected to open the world's second largest bituminous coal mining operation in the Darmstadt—St. Libory area soon, and to gradually extend operations to coal reserves the company holds north of Tilden at Coulterville.

EVENING RETAIL STORE HOURS IN 31 SOUTHERN ILLINOIS COUNTIES

by Willmore Hastings and Ralph Bedwell

Retail store hours, an apparently minor problem when considered in the overall operation of a business, are receiving much greater consideration today due to the pressure of competition for the consumer's dollar. Many retail groups in Southern Illinois are now stopping to evaluate their present store hours, especially where night openings are involved. A survey recently conducted by the Small Business Institute of Southern Illinois University among the lower 31 counties of the state came up with these findings:

1. The majority of retail communities were evenly divided between Friday and Saturday night openings.
2. Most stores close regularly at 5:30 P.M., and if open at night close at 8 P.M. The next most frequent closing time was 9 P.M.
3. Approximately $\frac{1}{4}$ of the communities had no regular night opening although, even in these, it was quite common for some drug and grocery stores to remain open six or seven nights a week.
4. Three-fourths of those communities having night openings had 100 per cent participation by the retailers.
5. Where Saturday night openings prevailed, the retailers felt obligated to this particular night because of their farmer patronage, and custom.
6. Friday night openings were designed to accommodate the pay days of the more industrialized portions of Southern Illinois. Friday nights were predominant in the Madison-St. Clair counties area and in the Franklin-Williamson-Jackson counties area. A few communities within the Madison-St. Clair area had a Monday and Friday night opening in order to place themselves on the same competitive schedule as St. Louis stores. The communities in the remaining counties of Southern Illinois were predominantly "Saturday night towns."

The above information was gathered through a survey sent to the Chambers of Commerce and other business organizations of 56 communities. No response were received from 10 representative counties but most of these contained relatively few or no shopping centers. The questionnaire was designed to determine:

1. How many communities had night store openings?

2. Did all retailers co-operate on the openings?
3. What night did the stores remain open?
4. What are the closing times both for regular hours and for evening openings?
5. Would only certain types of stores remain open?
6. What factors influenced the retailers to select their opening night?

The results of the questionnaire were first analyzed together and then broken down by geographical location and also by size of community. For communities with populations of 10,000 and above, all had a night opening and in practically every case this was Friday night with stores closing at 8:30 P.M. For all communities under 10,000 population, Saturday night was the most popular night opening with the stores closing at 8 P.M.

Space was provided on the questionnaire for additional comments. Many of the Chambers of Commerce took advantage of this to express their opinions on the question of evening openings. The problems, briefly stated, are:

1. The retail clerks union contract would have to be changed if night hours are changed or added.
2. There is lack of agreement and co-operation among the various types of stores on the question of who should be open.
3. There is a question whether the extra volume of business brought in by night opening would warrant the longer hours.
4. Night openings have only been successful just prior to Christmas.
5. The merchants are very well satisfied with the present hours.

This survey indicates that merchants have been adjusting their opening hours to the needs of the customers. However, more adjustments may be necessary in the future if retailers are to keep pace with changing customer desires.

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NEW PLANT AT DU QUOIN

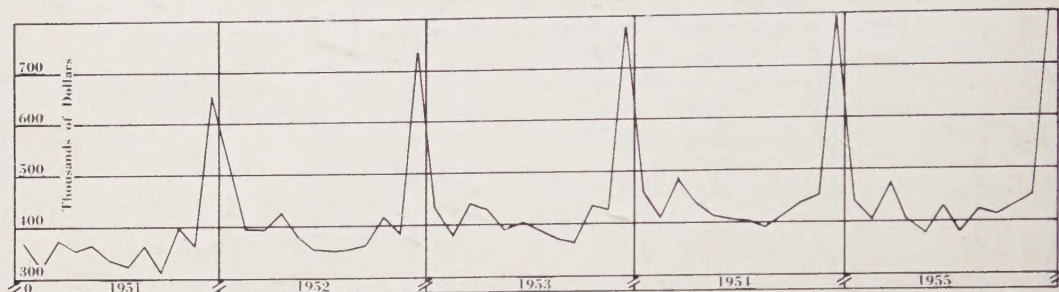
The new division of Mallory Plastics Inc. opening at DuQuoin soon will manufacture a new type of vibrator, according to Kenneth Schafer, who will be in charge of operations there. Schafer said the company hopes to complete by June the job of doubling the 20,000 square foot building which was erected through contributions from townspeople.

Employment, in the ratio of 60 women to 40 men, may reach 400.

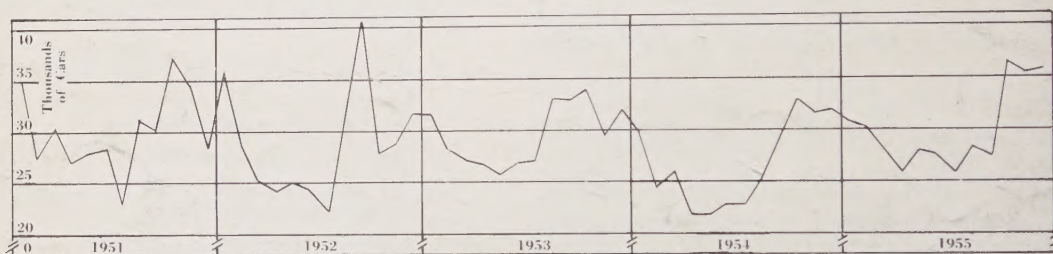
The firm is also starting a new operation at Pana where it has taken over a former glove factory building. Employment there at full production is expected to reach 250 to 300, about 75 percent female.

Mr. Hastings is author of the article on out-of-town shopping which appears elsewhere in this issue. Ralph Bedwell is director of the Small Business Institute at Southern Illinois University.

Postal Receipts—34 Southern Counties; 74 Postoffices Reporting



Freight Car Loadings for Unchanging Group of Six Railroads



Taxable Retail Sales

